

# KEY FEATURES

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## SECTION 1: THE FACTS

A SMALL SELF-ADMINISTERED SCHEME (SSAS) IS A COMPANY PENSION SCHEME FOR DIRECTORS WHICH GIVES THE TRUSTEES WIDER INVESTMENT POWERS THAN A CONVENTIONAL INSURED PENSION SCHEME.

## SECTION 2: ADVANTAGES

- Tax savings.
- Wide investment powers.
- Contribution and benefit flexibility.
- Actively managed investment policy.
- Self-investment opportunities.

Tax rules can change. The value to an investor of the tax advantages of a SSAS will depend on personal circumstances, which may change.

## SECTION 3: ALLOWABLE INVESTMENTS

- Bank/building society accounts.
- UK Commercial property and land.
- Loans to sponsoring employer.
- Insurance policies.
- Units in a managed pension fund.
- Unit trusts/OEICs.
- Stock exchange investments.
- Shares in sponsoring employer.

### SPONSORING EMPLOYER

#### Shares

The scheme may invest in shares of the sponsoring employer – there are limits on this however. No more than 5% of the scheme's net assets may be invested in the shares of any one sponsoring employer. Where there is more than one sponsoring employer, no more than 20% of the net assets may be invested in their shares in total (the 5% restriction still applies in relation to each individual employer).

## SECTION 3: ALLOWABLE INVESTMENTS

### SPONSORING EMPLOYER (Continued)

#### Lending & borrowing

- Up to 50% of the net value of the fund can be used for a loan to the sponsoring employer. The loan must be secured by way of a first charge and will have a maximum term of 5 years.
- Scheme trustees may borrow up to 50% of the net value of the fund.

Self-investment is subject to HM Revenue & Customs (HMRC) conditions and restrictions. The value of an investment is not guaranteed and can go down as well as up, and could fall below the amounts paid in.

## SECTION 4: COMMENCEMENT OF PENSION BENEFITS

The earliest age a scheme member can normally start taking their pension is 55, with effect from April 2028 the minimum pension age will increase to 57. Options include buying a Lifetime Annuity, one or more pension encashments or moving into income drawdown.

Options at retirement are subject to scheme rules.

## SECTION 5: ABOUT SSAS PENSIONS LIMITED

Fiona Black and Lindsay Carracher established SSAS Pensions Limited in January 2017, having spent 20 years each working for Scottish Widows SSAS Team.

Both Fiona and Lindsay have been actively involved as Specialist SSAS Administrators dealing with day to day matters, liaising with HM Revenue & Customs, preparing Annual Renewals, Event Reports and Pension Scheme Returns.

In addition to day to day administration, both Fiona and Lindsay have acted a Special Trustee Representatives since 2003, attending trustee meetings on behalf of Scottish Widows Trustees Limited.

Contact details:

- |   |                          |             |                                                                                          |
|---|--------------------------|-------------|------------------------------------------------------------------------------------------|
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## SECTION 6: SERVICES

- SSAS Pensions Limited will be the Special Trustee.
- We will provide all basic documentation for the scheme.
- Assistance in registering the scheme with HMRC Online Service and The Pensions Regulator Exchange Service.
- Guidance on the acceptability of proposed investments.
- The Special Trustee will act as a co-signatory to the scheme bank account(s).
- Assist trustees to ensure continued scheme compliance. We will provide an administration guide to assist with administering the scheme.
- We can provide some draft documentation for loans to the sponsoring employer.
- A SSAS Pensions Limited Special Trustee Representative can attend an initial meeting to assist with establishing the scheme.
- SSAS Pensions Limited will act as an authorised Scheme Practitioner. On provision of the relevant information we can deal with the following tasks on behalf of the Scheme Administrator:
  - file and amend Event Reports
  - file and amend Pension Scheme Returns
- Calculation of scheme benefits.
- SSAS Pensions Limited will assist trustees when they are submitting The Pensions Regulator Scheme Return.

## SECTION 7: CHARGES

An annual fee of £800 per annum plus VAT is payable. SSAS Pensions Limited reserves the right to:

- Charge an installation fee of £440 plus VAT. This fee may apply to work carried out where the managing trustees of an existing SSAS wish to switch to SSAS Pensions Limited as their trustee services provider.
- Charge a termination fee of £440 plus VAT.
- Impose additional charges for work not covered by the basic service.
- Review all fees on an annual basis. Any review will be carried out on 1 February each year and will apply at the scheme's next renewal date.

### IMPORTANT NOTES

Tax treatment depends on the individual circumstances of each client and may be subject to change in the future. Tax rules can change.

The information contained in this booklet is based on SSAS Pensions Limited's understanding of current legislation and is correct at the time of publication.

This material is for use by UK Financial Advisers and Trustees of the scheme only and should not be distributed to or relied upon by any other person.